

REMARKS

Favorable reconsideration of applicants' pending claims is respectfully requested in view of the above amendments and following remarks. This Amendment and Reply is being filed within six months following the March 24, 2006 mailing date of the Office Action. Applicants' petition for an extension of time of three months to reply to the outstanding action and the requisite fee accompany this response. This response is therefore timely filed.

Applicants submitted an Information Disclosure Statement and Form PTO-1449 with the application as filed on August 22, 2001, including copies of the thirty-six (36) references cited, as was required at that time. Copies of the Information Disclosure Statement, Form PTO-1449 and return receipt post card, indicating copies of these materials were received by the USPTO, are attached hereto as Exhibit A. Applicants request that the Examiner indicate that these references have been considered and make these references of record in the prosecution of the subject application.

Claims 1-67 were pending and considered by the Examiner in the outstanding Office action. In this responsive filing, claims 1-13 have been amended; claims 14 and 16 have been canceled; claims 15, and 17-30 have been amended; claim 31 has been canceled; claims 32-34 have been amended; claim 35 has been canceled; claims 36-58 have been amended; claims 59-67 have been canceled; and claims 68-77 have been added. Claims 1-13, 15, 17-30, 32-34, 36-58, and 68-77 are currently pending.

Claim 1 and the claims dependent thereon have been amended to recite method rather than system claims. Claim 1 has additionally been amended to specify an automated marketing method that includes assigning an award to the user when at least one preselected award criterion for determining eligibility for an award is satisfied. Claim 2 has been amended to additionally recite maintaining databases for user identifiers, merchant identifiers and user behavior identifiers at the host controller system. Claims 3 and 4 have been amended to specify making a determination of award eligibility or updated award status condition at the host controller system. Claim 42 has been rewritten in independent format to claim an automated marketing system. The remaining claim amendments are largely formal in nature and are made for

purposes of clarification and to provide consistent claim terminology throughout the claims. It is urged that there is a clear basis in the application as originally filed for the claim amendments, and that no new matter has been added.

Claims 68-77 have been added, with claims 68 and 75 being in independent format. It is believed that these claims are fully supported by the application as it was originally filed and that no new matter has been added. Favorable consideration of these claims is respectfully solicited.

Claim Rejections – 35 U.S.C. §102(e)

Claims 1-4, 6-12, 16-18, 20-25, 27-32, 39-53, 55-62, 67 were rejected under 35 U.S.C. 102(e) as being anticipated by Postrel, U.S. Application 2004/0098317 (“Postrel”). This rejection is respectfully traversed, particularly in view of the above amendments and the following remarks.

Applicants note that the priority date of the parent application of Postrel predates applicants’ priority date. Applicants have elected to treat Postrel as a valid 102(e) reference for purposes of this response. Applicants do not, however, concede or acquiesce in the availability or validity of Postrel as a 102(e) reference and specifically reserve the opportunity to eliminate Postrel as a valid prior art reference during the course of this or any related prosecution.

Postrel relates to electronic bartering systems and relates specifically to pooling or aggregation of points from multiple, pre-existing reward program accounts, redemption, and account reconciliation between the reward issuer, the intermediate trading server/system, and the merchant. The redemption process involves the user requesting processing for redemption of pre-accumulated award points via a user computer, a trading server computer obtaining reward points from a reward server associated with a rewarding entity and deducting the points desired to be redeemed from the account on the reward server while conveying consideration to the trading server computer, which adjusts the reward exchange account of the user and allows the user to purchase an item from an associated merchant computer.

Postrel discloses, as exemplified in Figs. 4 - 7, a redemption system in which a user’s computer interfaces with a trading server, which then interfaces with one or more reward server(s) to retrieve applicable user rewards, adjust the user’s account on the reward server and

receive consideration from the reward server. For point redemption, the user requests a purchase using points from a merchant site. The user then is redirected from the merchant site to the trading server, and the trading server verifies whether points are available, adjusts the user's account, and sends appropriate consideration to the merchant, which authorizes the transaction. The trading server thus serves as a facilitator between a user, one or more of the user's points awarding facility(ies) and, separately, as a facilitator between a user and a merchant for point redemption.

The Postrel system does not make awards or determine eligibility for awards. It simply accumulates awards granted by one or more separate reward servers, operated by various awarding entities, provides award conversion to a common currency if desired, and administers and facilitates the redemption. The trading server of Postrel may additionally store and perform redemption functions according to certain user preferences. Points may be accumulated on and redeemed using a smart card or credit, debit or stored value card, for example. Postrel's point aggregation and reconciliation system requires the trading server to interface with the reward server to adjust the user's account and receive consideration for point redemption. Postrel also requires the trading server to interface with a merchant server to verify and consummate the transaction, regardless of the use of an intermediate card. Postrel describes numerous system features, but the various system features are implemented using the system architecture described above.

The use of an intermediate trading server in an award redemption system to accumulate points and awards from various independent reward entities and reward systems, as taught by Postrel, is difficult to establish and maintain because, to be effective, it requires the trading computer to interface with multiple reward servers, as well as multiple merchant server systems. Airline reward servers, credit card reward servers, and marketing reward servers, which make awards pursuant to various, separately administered awards programs, and merchant servers, are rarely compatible and use different types of operating systems, which makes the use of a trading server that interfaces and exchanges information across the various systems difficult to implement at best. Information security concerns would furthermore render this system and

methodology highly impracticable. Postrel is, in fact, illustrative of the type of system applicants' systems and methods are designed to improve and replace.

In general, applicants' claimed systems and methods provide integrated, centralized administration of awards programs, including communication of essential information between a point of transaction and a host controller system, determinations of award eligibility, issuance of awards based on those determinations, and award redemption. Applicants' methods and systems involve interfacing a point of transaction with a host controller system that is capable, in various embodiments, of administering multiple marketing programs having different participant eligibility rules, different rewards rules and levels, different sponsors, and the like. The host controller manages and oversees user eligibility, assigns awards based on user activities, maintains award balances, manages and oversees award redemption, and performs the accounting functions required to reconcile awards and award redemptions. The system and methods are amenable to various and multiple award currencies and preferably operate in real time and provide real time information to the user at a point of transaction.

The Examiner relies on Postrel, Figs. 2, 4, 5 and 6 for disclosure of applicants' claims 1, 16, 42, 59 and 62. Claim 1 has been amended to specify an automated marketing method as previously claimed and additionally reciting assigning an award to the user when at least one preselected award criterion for determining eligibility for an award is satisfied. Postrel allows connection to a reward server that stores a user's previously earned awards, and retrieval of user's previously earned rewards from the reward server. The trading server aggregates previously earned rewards and converts previously earned rewards to a common currency, if desired, and allows redemption of the previously earned awards according to user preferences.

It is submitted that Postrel does *not* disclose, or suggest, performing a rate calculation processing step to determine eligibility of the user, the merchant and the user behavior for an award based on a preselected set of criteria, nor does Postrel disclose or suggest assigning an award to the user when at least one preselected award criterion for determining eligibility for the award is satisfied. It is urged that Postrel does not teach, or suggest, applicants' claimed marketing methods as recited in claim 1 and the claims dependent thereon.

Applicants' independent claim 42 recites an automated marketing system comprising a host controller and an operating system in communication with a point of transaction device, wherein the host controller system incorporates at least one user identifier database, at least one merchant database, at least one program matrix rules module, and at least one user demographic information database. The Examiner relies on Postrel, as above with respect to claim 42, and additionally cites Fig. 5 of Postrel as disclosing accessing a user database from a host controller system, the user database associating a user identifier with additional user demographic information (Fig. 5). It is urged that Applicants' system, as set out in independent claim 42, is not taught or suggested by Postrel.

Postrel, at Fig. 5, illustrates user accounts, user preferences and user redemption profiles residing in the trade server, as well as various merchant information and reward server information. Postrel discloses the creation and storage of user redemption profiles indicating the order of redemption and a method of providing funds sufficient to cover a purchase after redeemable points are exhausted. A classification system may be used by the user to define rules for managing rewards from different reward entities. User preferences for classes of reward redemptions may be stored. Applicants do *not*, however, perceive any reference to or use of a user's demographic information in connection with the various reward aggregation and redemption systems of Postrel. It is urged that Postrel does not teach, or suggest, applicants' claimed marketing system as recited in claim 42 and the claims dependent thereon.

The Examiner relies on Postrel, as cited above and additionally cites Fig. 2 and paragraphs 42 and 33 as disclosing the subject matter of applicants' claims 22-24 and 43-46. Fig. 2 of Postrel illustrates the types of cards used in conventional, prior art rewards programs. The rewards programs accumulate reward values on a partner's system, and these reward values are periodically updated on an airline server to reflect the value earned during that period. (*See*, e.g., paragraph 12). It is the rewards from these types of systems that Postrel's reward aggregation and redemption system access and administer. It is these independent (airline) reward servers that Postrel's trade server communicates with in the course of reward aggregation and redemption.

The Examiner has not indicated which of Postrel's disclosed servers or interfaces is considered to be the point of transaction, but applicants do **not** perceive any interpretation of the disclosure of Postrel that teaches or suggests the following features, in association with applicants' method as set out in independent claim 1: acquiring the user identifier and at least one transaction payment identifier in a single step at the point of transaction (claim 22); acquiring the user identifier and at least one transaction payment identifier in a single examination of an identifying object (claim 23); or acquiring the user identifier and at least one transaction payment identifier at the point of transaction in a swipe of a financial instrument (claim 24). Applicants similarly don't perceive any interpretation of Postrel that teaches or suggests the features recited in claims 43-46, in association with applicants' claimed system as set out in independent claim 42.

The Examiner cites numerous references in Postrel that allegedly disclose various features of the methods and systems as recited in applicants' claims. Although some of the individual features recited in applicants' claims are disclosed in Postrel, there is no disclosure of applicants' methods and systems as recited in applicants' independent claims and there is no disclosure of the combination of features recited in applicants' pending claims. Because it is believed that the combinations of elements specified in applicants' independent claims are clearly not disclosed or suggested by Postrel, applicants do not address the specific citations made by the Examiner in this response.

It is urged that applicants' pending claims are allowable over Postrel and that the outstanding rejection must be withdrawn.

Claim Rejections – 35 U.S.C §103(a)

Claims 19 and 26 are rejected under 35 U.S.C. 103(a) as being unpatentable over Postrel. Claims 5, 54 and 66 were rejected under 35 U.S.C. 103(a) as being unpatentable over Postrel (2004/0098317) in view of Eggleston (6,061,660). Claims 13-15 and 63-65 were rejected under 35 U.S.C. 103(a) as being unpatentable over Postrel (20040098317) in view of Bednarek (20050251440). Claims 33-38 were rejected under 35 U.S.C. 103(a) as being unpatentable over Postrel (20040098317) in view of Bednarek (20050251440) in view of Fitzpatrick

(20020046138). The combination of Eggleston, Bednarek and/or Fitzpatrick with Postrel, don't overcome the deficiencies of Postrel with respect to Applicants' claimed invention. These rejections, to the extent they would be relevant to the amended and newly presented claims, are respectfully traversed.

Applicants note that the priority date of the parent application of Postrel predates applicants' priority date. Applicants have elected to treat Postrel as a valid 103(a) reference for purposes of this response. Applicants do not, however, concede or acquiesce in the availability or validity of Postrel as a 103(a) reference and specifically reserve the opportunity to eliminate Postrel as a valid prior art reference during the course of this or any related prosecution.

Postrel

Claims 19 and 26 are rejected under 35 U.S.C. 103(a) as being unpatentable over Postrel. The Examiner states that Postrel does not explicitly disclose utilizing user demographic information, but states that Postrel does disclose utilizing user account information, user credit card information, user smart card information, user registration/name/login information and user profile and preference account information. The Examiner concludes that one having ordinary skill in the art would have been motivated to utilize user demographic information in addition to better present the user content of interest.

The airline reward servers and credit card reward servers, as described by Postrel, use cards such as those shown in Fig. 2, which are co-branded cards linked to rewards programs. Co-branded cards are known, and programs in which points are accumulated based on credit transactions are known. The rewards programs are administered by the airlines, phone companies, credit card issuers, and the like. *See, e.g.,* Postrel paragraphs 12, 15, 29. These rewards programs are administered by and maintained on the marketing reward server and are *not* part of Postrel's point aggregation, conversion and redemption system. It is entirely unknown, based on the disclosure of Postrel, how the rewards programs are administered; how they acquire information from participants (other than through co-branded cards); what type of information is acquired to verify eligibility for a rewards program; how rewards are determined and issued; where rewards are delivered; and how credit transactions are processed.

Applicants submit that their automated marketing methods, as recited in claims 19 and 26, are not suggested by Postrel, nor would they be obvious to one of ordinary skill in the art in light of the teachings of Postrel.

Postrel in view of Eggleston

Claims 5, 54, 66 are rejected under 35 U.S.C. 103(a) as being unpatentable over Postrel (2004/0098317) in view of Eggleston (6,061,660). Claim 5 relates to an automated marketing method in which information relating to printing an award or updated award status condition is printed on a transaction receipt generated at the point of transaction. Claim 54 relates to an automated marketing method implementing multiple marketing programs selected from the group consisting of: award multiplier programs; swipe and win programs; gift certificate programs; coupon programs; and instant win programs. Claim 66 relates to an automated marketing program whereby successive qualifying behaviors of a qualifying user at one or more qualifying merchants produce successively different awards in a random manner within predetermined award ranges.

Eggleston relates to incentive program and award systems implemented using a computer network, e.g. the Internet, to provide user access to expanded incentive offerings. In the Eggleston system, a consumer computer, a sponsor computer, and a retailer computer are connected to a host computer. (See, Fig. 2.) The host serves as a go-between between the user and disparate incentive programs provided by the host or third parties and is, essentially, an incentive program aggregator. Following registration on the host computer, a card may be provided to the user reflecting a user identification and password for identify and award verification. A variety of incentive programs may be hosted by the host computer, and prizes may be awarded in a variety of currencies.

The passage referred to by the Examiner with reference to Claim 5 describes an award redemption procedure in which a consumer presents a card or a promotional item to a participating retailer to verify eligibility for a prize, the retailer determines if the consumer is eligible for the prize and, if so, the retailer prints a receipt for the prize, which the consumer

signs. The receipt, signed by the consumer, provides verification that the prize was received by the consumer.

Eggleston does not overcome the deficiencies of Postrel with respect to claim 1. Applicants do not perceive any combination of Eggleston with Postrel that would suggest applicants' claimed automated marketing method or that would, in the context of applicants' claimed method, provide information relating to award eligibility or an updated award status condition at the point of transaction, as specified in applicants' claim 5.

The Examiner refers to Fig. 20 of Eggleston for disclosure of random prizes and a variety of award schemes. Fig. 20 describes various parameters that may be used in building incentive programs. The existence of these parameters and the existence of various types of marketing programs does not, it is submitted, overcome the deficiencies of Postrel with respect to claim 1. Applicants do not perceive any combination of Bednarek with Postrel that would suggest applicants' claimed automated marketing method or that would, in the context of applicants' claimed method, determine eligibility for participation in multiple types of marketing programs, as specified in applicants' claim 54.

Applicants submit that their automated marketing methods, as recited in claims 5 and 54, are not suggested by any combination of Postrel and Eggleston, nor would they be obvious to one of ordinary skill in the art in light of the teachings of Postrel and Eggleston.

Postrel in view of Bednarek

Claims 13-15, 63-65 were rejected under 35 U.S.C. 103(a) as being unpatentable over Postrel (20040098317) in view of Bednarek (20050251440). This rejection is respectfully traversed.

Bednarek discloses a computer-implemented incentive program that awards points according to a first program, and adjusts the redemption rate associated with a particular participant in response to a participant action. The incentive program may be applied to transportation, financial services and computer gaming. Awards are treated as base points that are multiplied by the customer's redemption rate, which may be increased or reduced based on a participant's activities.

Bednarek does not overcome the deficiencies of Postrel with respect to applicants' claim 1. Applicants do not perceive any combination of Bednarek with Postrel that would suggest applicants' claimed automated marketing method or that would, in the context of applicants' claimed method, provide implementation of an award accelerator program as specified in pending claim 13 and an award decelerator program as specified in pending claim 15.

Applicants submit that their automated marketing methods, as recited in claims 13 and 15, would not be obvious in view of any combination of Postrel and Bednarek.

Postrel in view of Bednarek and Fitzpatrick

Claims 33-38 were rejected under 35 U.S.C. 103(a) as being unpatentable over Postrel (20040098317) in view of Bednarek (20050251440) in view of Fitzpatrick (20020046138). Applicants note that Fitzpatrick's filing date is subsequent to applicants' priority date and that the Fitzpatrick publication is a valid prior art reference to the extent that its priority application made sufficient disclosure. Applicants treat Fitzpatrick as a valid prior art references for purposes of this response but don't concede or acquiesce in the availability or validity of Fitzpatrick as a 103(a) reference. This rejection is respectfully traversed.

Claims 33-38 relate to calculating a program fee for each award assigned and charging an account of a marketing program sponsor for each program fee (claim 33); amplifying successive program fees for successive awards (claim 34); charging a flat fee to a marketing program sponsor (claim 36); charging a percentage of the transaction amount to a marketing program sponsor (claim 37) and charging a percentage of the award value to a marketing program sponsor (claim 38), all in the context of applicants method as specified in claim 1. Fitzpatrick discloses various fees and payment mechanisms for program expenses. Paragraph 110 relates to customers (e.g. employers, business entities having customers, etc.) who choose program awards and award categories for distribution to program participants.

Bednarek and Fitzpatrick do not overcome the deficiencies of Postrel with respect to applicants' claim 1 and the claims dependent thereon. Applicants do not perceive any combination of Bednarek and Fitzpatrick with Postrel that would suggest applicants' claimed

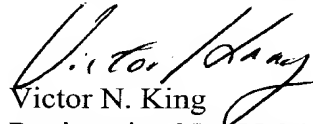
automated marketing methods or that would, in the context of applicants' claimed method, calculate program fees in the manner specified in pending claims 33, 34 and 36-38.

Applicants submit that their automated marketing methods, as recited in claim 33, 34 and 36-38 would *not* be obvious in view of any combination of Postrel and Bednarek and Fitzpatrick.

Conclusion

In view of the above amendments and remarks, applicant believes that pending claims 1-13, 15, 17-30, 32-34, 36-58 and 68-77 are in condition for allowance. Early consideration and allowance of all the pending claims are respectfully requested.

Respectfully submitted,


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